



City of Norfolk's 2013 Legislative Priorities

-Council Approved Draft-

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City of Norfolk's 2013 Federal Priorities

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1. Flood Control/Water Infrastructure: Pursue funding for City's flood control and water infrastructure priorities. Support the completion of outstanding studies.
 - a. City of Norfolk Flood Risk Management: Pursue Army Corps of Engineers (Corps) funding for the Hague, Pretty Lake, Masons Creek and Ohio Creek flood risk reduction projects.
 - b. Willoughby Spit and Vicinity: Complete Corps shoreline erosion and beach restoration project.
 - c. Western Branch Dam Upgrades: Pursue Corps/Environmental Protection Agency/Department of Agriculture funding for construction of a new emergency spillway and rehabilitation of the existing primary spillway at the Western Branch Dam.
 - d. Wastewater Upgrades: Pursue grant/loan funding to upgrade the City's wastewater infrastructure to reduce sewage overflows.
2. Surface Transportation: Pursue Department of Transportation funding for the City's transportation priorities and highlight funding shortfalls for Hampton Roads area.
 - a. Patriot's Crossing
 - b. Norfolk Tide Light Rail Operations
 - c. Norfolk - HRT Bus Transfer Center
 - d. Elizabeth River Bicycle/Pedestrian Trail
 - e. Intercity Passenger Rail Service
3. Disaster Preparedness: Pursue funding to ensure the City leads the region in homeland security, disaster preparedness, and crime reduction efforts.
 - a. Port Security
 - b. FEMA Emergency Operations Center Funding
 - c. DHS Urban Area Security Initiative (UASI)
 - d. FEMA Fire and Emergency Response Grants/Fire Grant Support
 - e. DOJ Law Enforcement Grants
4. Education: Pursue Department of Education funding to replicate innovative programs to improve learning and close the achievement gap.
 - a. Race to the Top - local educational agencies apply directly
Investing in Innovation (i3) - private sector match required
 - b. Promise Neighborhoods -nonprofits, institutes of higher education, and tribal entities apply directly
5. Veterans: Pursue grant funding and programmatic housing and workforce development opportunities for the City's veteran population.
 - a. Homeless Veterans' Reintegration Program (Dept. of Labor)
 - b. Veterans Workforce Investment Program (Dept. of Labor)
 - c. Homeless Providers Grant and Per Diem Program (Dept. of Veterans Affairs)
 - d. Supportive Services for Veteran Families (Dept. of Veterans Affairs)

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City of Norfolk's
2013 Virginia General Assembly
Legislative Requests

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Legislative Request # 1: The City of Norfolk requests the assistance of appropriate natural resource and emergency management agencies of the Commonwealth to work in partnership with the localities and planning districts of Tidewater and Eastern Shore Virginia to oversee the implementation of the recommendations of the 2012 General Assembly commissioned study of recurrent flooding in Tidewater and Eastern Shore Virginia localities (Virginia Institute of Marine Science November 2012 Report to the Virginia General Assembly House/Senate Doc #____).

Since 1930 the relative mean sea level rise in Virginia's portion of the Chesapeake Bay has increased at Sewells Point by 14.5 inches. This makes Sewells Point the highest increase on the east coast. From the empirical evidence collected and according to the Virginia Institute of Marine Science, Virginia can expect up to one foot of additional relative sea level rise by 2050.

Virginia local governments lack the ability to integrate comprehensive coastal shoreline planning efforts to address the impending relative sea level rise and coastal flooding. The complexity of first defining the problem and then prescribing the solutions necessitates a proactive statewide effort to better understanding the state's current flooding dilemma.

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Legislative Request #2: The City of Norfolk requests the General Assembly to enact legislation to secure a dedicated, long-term and sustainable funding source for the Intercity Passenger Rail Operating and Capital Fund.

Passenger rail within the Commonwealth is emerging as a powerful economic driver and means to serve our growing population. Virginia's population density is anticipated to increase by 38 percent over the next 25 years and the state's population is expected to grow another 35 percent by 2035. Congestion along Virginia's Urban Crescent (Washington-Richmond-Hampton Roads) has increased to the point that commuters living along the corridor spend an average of 229 hours annually commuting to work or sitting in traffic, costing the average commuter about \$841 annually. Virginia's regional train corridors serve 82.52 percent of the Commonwealth's economy and employment is expected to grow by 50 percent along the Commonwealth's regional train corridors over the next 25 years.

The Commonwealth has taken proactive and visionary actions in preparation for these future trends. Virginia has launched two very successful roundtrip Regional trains connecting directly to the Northeast Passenger Rail Corridor. These Regional trains operate along the Richmond-Washington-Boston and Lynchburg-Washington-Boston corridors. Virginia and Amtrak will extend a roundtrip Regional train from Richmond to Norfolk on December 12, 2012, which will connect the Virginia Urban Crescent to the Northeast Passenger Rail Corridor.

Lack of new and consistent transportation funding in the Commonwealth is becoming difficult to ignore. CNBC has lowered Virginia's rating as one of the "Best States to Do Business" from 1st to 3rd citing a lack of new funding for transportation as a primary reason. In addition, ridership on Virginia's Regional trains has grown by 79.21 percent over the last five years. However, passenger rail is the only mode of transportation in which the Commonwealth does not maintain a dedicated, long-term, and sustainable funding source.

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Legislative Request # 3: The City of Norfolk requests the General Assembly to enact legislation to amend Norfolk's City Charter so that the at-large mayor election coincides with council super ward elections.

The Norfolk City Council is comprised of eight locally elected members. The mayor is elected at large while the other members of Council are elected through a ward system that includes two super wards of approximate equal division and five wards defined by their geographic location. Every Norfolk citizen has one ward, one super ward, and one at-large representative on council.

Currently, Norfolk's five (5) wards and (1) mayoral election are on the same ballot every four years; while the super wards have their own elections two-years later. This uneven local government election cycle has had a depressive effect on Norfolk's super ward election turnout, while somewhat overwhelming the election in which the ward and mayoral election compete on the same ballot.

In the interest of good government and with the goal of leveling Norfolk's local election cycles, Norfolk requests the General Assembly to consider enacting legislation to amend Norfolk's City Charter so that the at-large mayor election coincides with super ward elections.

If Norfolk's City Charter were to be amended as described, Norfolk's next mayoral election in May 2014 would be for a 2 year term that would expire in 2016. In 2016, the election for Norfolk's mayor would then be held during the super ward elections for a four-year term.

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Legislative Request # 4: The City of Norfolk requests the General Assembly to enact legislation to amend the state contractors' code for the purpose of allowing artists under contract with municipal agencies to directly hire licensed contractors for the installation of artwork.

Current Virginia Code requires that any construction costing over \$1,000 that is permanently annexed to a site must be accomplished by a Virginia licensed construction general contractor. Virginia Code defines a contractor as any person who orders construction for a fixed price.

"Artists" are hired by municipalities, under contract, for the purpose of developing large or specialized public art exhibits. In most cases, public art exhibits require a team of craftsman and are often created in collaboration with the artist, project architect, landscape architect, design engineers, and construction contractors for the purpose of installation.

The national public art model used by Roanoke, Richmond, Virginia Beach, Arlington, and Norfolk, as well as 350 other municipalities across the country, sets aside 1% of certain capital improvement funds. Artists are then asked through a Request for Proposal (RFP) to budget and manage the entire public art project from design to fabrication and final installation.

Municipalities hire "Artists," under contract, to create the envisioned art and manage the overall installation efforts. However, these Artists contract the installation of their public art to Virginia Licensed General Contractors. Yet under current state regulations, these Artists are required to also be a Virginia Licensed Contractor if the public art costs over \$1,000.

To become a licensed Virginia General Contractor requires significant time, effort and expense for Artists that do not actually install their public art work. This requirement has proven to be somewhat limiting in the potential selection of qualified public artists for public art.

The City therefore requests the General Assembly to enact legislation to amend the state contractor's code so that "Artists," contracted by municipalities to create and install public art, can directly contract Virginia licensed contractors for the installation of their art work.

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City of Norfolk's
2013 Virginia General Assembly
Legislative Priorities

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Legislative Priority #1: The City of Norfolk opposes the elimination of the existing legislative moratorium on uranium mining in Virginia.

Virginia Uranium, Inc. has proposed to begin mining uranium deposits on its Coles Hill property in Pittsylvania County, Virginia. But before any mining can occur, the Commonwealth must lift a statutory moratorium on uranium mining that has been in effect statewide for several decades.

Norfolk's opposition to the lifting of the moratorium on uranium mining in Virginia is predominantly predicated on the argument that the existing environmental and public health regulatory structure for traditional mining operations in the Commonwealth is fundamentally flawed. Uranium mining is a completely new and unfamiliar mining industry to the Commonwealth with never-before-seen dangers, and requires an entirely new regulatory framework.

To be effective, this new regulatory framework will be comprehensive and complicated, as compared to Virginia's current mining regulatory structure. However, the venue for testing a new experimental regulatory structure and new uranium mining technology in a precipitous climate like Virginia should not be in a mining operation where the consequences of error would be catastrophic to such a vital and important water supply.

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Legislative Priority #2: The City of Norfolk supports legislative efforts to meaningfully address deficiencies in the current 1995 Public Private Transportation Act governing affected local governments.

There has been a dramatic increase in Virginia's use of the Public Private Transportation Act of 1995 (PPTA) for construction projects. The PPTA was designed to leverage public sector transportation funding by attracting private sector to risk capital and to bring private sector creativity and efficiency to the task of building the Commonwealth's large transportation projects. Some evidence suggests that private sector creativity and efficiency can advance and improve the building of individual projects. However, there is little to no evidence to suggest that private sector capital will be attracted to a significantly expanded pool of transportation revenues. Rather, PPTA projects have been funded almost entirely with either traditional transportation funds or municipal bond debt backed by tolls or other public tax sources that are then supplemented with traditional state and federal transportation revenues.

Evidence suggests that the PPTA process itself has evolved and grown substantially beyond its original intent and is now the "only process" for driving transportation policymaking decisions to an extent not originally envisioned. As available transportation construction dollars decline, transportation decision-making authority is ultimately shifting away from the Commonwealth Transportation Board (CTB) to the PPTA proposer and the "responsible public entity" in charge of implementing the project. In point of fact, it is the CTB that is charged with the location, decision-making, and financing of transportation project in Virginia. However, the CTB has no statutory role and only limited guidelines have been established for the CTB's role in the PPTA process.

In the mid-1990's the Secretary of Transportation was made Chairman of the CTB instead of the VDOT Commissioner for the purposing of "distancing" the line agencies from CTB policymakers. If the PPTA is going to be used as a method for soliciting ideas on whether or not to build a transportation project, the enabling statue should be changed to put more decision-making authority into the hands of policymakers instead of agency management staff.

The PPTA has evolved into a process in which large private-sector construction consortiums are proposing design/build/operate projects that primarily use taxpayer subsidized revenue bonds backed by high tolls, taxes, and then supplemented with whatever traditional government transportation revenues are available, including future federal revenue anticipation notes.

As a result, the PPTA process has accelerated projects of what some inside experts conclude to be "uncertain merit." Over the course of the past several years when the PPTA process has been utilized, projects using "off-the-top" state funding have been given priority over other projects in the CTB's six-year transportation plan. As a result, PPTA Projects that have not been through the "normal" transportation decision-making process and projects that have yet to achieve any semblance of consensus, have been approved and negotiated by VDOT. In some cases, major PPTA project have been recommended before a full alternatives review has

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occurred under the National Environmental Policy Act (NEPA) process, which appears to “bias” the outcome in favor of the PPTA proposal.

These actions undercut the intended role of the public’s input and the CTB’s recommendation authority as it relates to the funding and location of major transportation improvements. An honest assessment is that PPTA ideas are being solicited to assess a project’s viability before consensus has even been achieved on whether a project should be built.

These developments raise serious policy concerns for the City of Norfolk, who recently experienced the Midtown/Downtown/MLK PPTA project. Although public-private partnerships can be a useful tool, the PPTA statute and implementing guidelines need to be revised to address the current shortcomings that are increasingly becoming evident over the past 18 years since implementation.

The City therefore offers the following recommendations for improving the PPTA process:

1. Give the CTB a more direct statutory role in the PPTA process.
 - a. Require any PPTA proposal to be part of the CTB six-year transportation plan before the PPTA Steering Committee reviews a preliminary proposal.
 - b. Require CTB approval for any PPTA Steering Committee recommendation before negotiating a Comprehensive Agreement.
 - c. Consider deleting from statute the Governor’s ability to remove CTB Members before the expiration of their 4-year term.
2. Provide more clarity in the PPTA statute and/or guidelines for considering a PPTA proposal before the NEPA process has concluded.
 - a. As condition of signing the PPTA Comprehensive Agreement, the CTB should have approved the project as a recommended NEPA alternative; or
 - b. Provide more clarity concerning what is being negotiated with a PPTA proposer before a NEPA recommendation is made to the CTB.
3. Require the PPTA proposer to invest a certain amount of equity in a toll project or buy a certain percentage of the bonds floated for a toll road project.
4. Require a minimum of at least two (2) competing detailed proposals before moving forward on a PPTA selection.
 - a. It is impossible to accomplish a value analysis without competing proposals being examined for cost savings and efficiencies.
5. Require an independent verification of traffic and cost estimates for the impacted Metropolitan Planning Organization’s verification.
6. Review and update VDOT design-build limitations to lessen the need for PPTA proposals.
7. Provide clearer guidance in statute on the use of non-compete clauses in any PPTA Comprehensive Agreements.
8. Include more of the PPTA process by statute rather than relying upon guidelines and interpretations that can be easily altered.
 - a. Make it very clear in PPTA statute what projects are eligible and not eligible and not eligible for participation.

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- b. PPTA guidelines have been changed several times in the past eight-years.
- 9. The public needs to know the contract terms and concessions that have been agreed to in a PPTA Comprehensive Agreement before it is signed.
 - a. Mandate a robust and comprehensive public comment period on PPTA proposals and provide contract terms and the concessions contemplated in the Comprehensive Agreement prior to final selection.

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Legislative Priority # 3: The City of Norfolk supports legislative efforts to meaningfully provide sufficient, consistent and reliable transportation funding to address the Commonwealth's current and future transportation needs.

Critical investments are needed to maintain and improve Virginia's transportation network. The continued structural imbalance between critical needs and available resources continues to worsen. More than half of the state's transportation revenues are dependent upon fuel purchases and auto sales. Over time both have significantly declined due to increased fuel efficiency, reduced sales volume, and inflation. Meanwhile demand for transportation improvements across the Commonwealth continues to increase both in road capacity and desperate need for additional transit funding.

Essentially, new road construction, and in many instances, maintenance of existing infrastructure, has been left to local government without a revenue source to fund these very necessary transportation requirements. The Commonwealth's inability to address this imbalance has led to a deteriorating transportation infrastructure that is exemplified by potholes, bridge and tunnel closures, congestion and an overall decline in quality of life that threatens our economic prosperity.

Norfolk urges the General Assembly to fix the continued imbalance with insufficient transportation revenues being collected to meet the overwhelming transportation needs of the Commonwealth, especially considering Norfolk's heavy transportation infrastructure support costs.

In this regard, the Norfolk City Council respectfully requests that the General Assembly to consider the following recommended principals for improving the current transportation funding crisis:

- A. **Sustainable Funding**—the Commonwealth should adopt a stable and predictable funding plan that is comprehensive and addresses desperate transportation investment needs across the state. Critical to this plan is a new dedicated and ongoing source of non-general fund revenue to support \$65 billion dollars in transportation needs as identified in VTrans2035, Virginia's statewide long-range multimodal transportation plan.
- B. **Fiscal responsibility**—any new or enhanced transportation funding must be fiscally responsible and contributes to the state's overall efforts to reduce congestion, enhance access, foster safety and/or achieve other critically identified service elements, while being sensitive to current economic conditions. Phasing in revenues and spending so they increase as the economy grows should be part of any plan. Additionally, any federal and state transportation trust funds must be dedicated to improving transportation and should not be diverted to non-transportation related purposes. Lastly, the state must

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provide local governments the financial tools to meet transportation needs where the state abdicates its fiscal responsibility.

- C. **Statewide focus**—transportation should be viewed as a statewide issue, not a regional, urban or rural issue. Every area of the state is hampered economically by a failure to meet critical transportation infrastructure challenges.
- D. **Shared responsibility**—transportation planning and authority should include local government as a partner in identifying needs and committing resources, but the state should not shift its funding responsibilities to localities.
- E. **Infrastructure modernization**—Virginia’s transportation efforts must include a comprehensive statewide plan for transportation infrastructure that responds to increased fuel prices by providing transportation options, like rail and transit, which minimize the use of petroleum. Such a plan must ensure that all Virginians – rural, suburban and urban – are able to contribute to and benefit from statewide economic opportunities.
- F. **Congestion mitigation**—the state should take deliberate steps to alleviate commuter congestion as a matter of economic development and quality of life issue. Corridor-wide solutions and incentives that promote alternative modes including highways, transit and non-traditional solutions need to be more fully developed.

The Norfolk City Council urges the General Assembly to develop specific transportation initiatives that are fiscally sound and well documented to serve local, regional and statewide needs by:

- Adjusting existing funding sources and effecting appropriate increases in state transportation-related taxes and fees to keep pace with fuel efficiency;
- Increasing dedicated funding for public transportation in order to meet transit operating expenses and make Virginia competitive for federal transit funds;
- Providing or extending as a local option transportation impact fee authority to all localities;
- Authorizing practical options for using long-term financing for major transportation projects;
- Providing full state funding for the revenue sharing program as provided for in §33.1-23.05;
- Seeking equity among various road users by ensuring that trucks pay their share of road costs.

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Legislative Priority # 4: The City of Norfolk opposes legislative efforts that further shift K-12 funding responsibility away from the Commonwealth and onto local governments.

In FY 2011 localities spent more than \$3.3 billion per year above the state's required local effort (RLE) for K-12 operations. This \$3.3 billion of "over-spending" was in excess of the \$3.2 billion that localities were actually required to spend, which accounted for approximately 25 percent of all operating expenditures for K-12. From FY 2008 to FY 2013 the City of Norfolk spent on average \$54 million, or 109.3% above the required local effort.

In addition to the \$6.5 billion that localities spent on K-12, reports by the Auditor of Public Accounts show that localities spent an additional \$389 million in debt service costs for education in FY 2011. Without the "over-spending" of \$3.3 billion in K-12 funding by local governments, school divisions and students would have little chance of meeting state and federal student outcome requirements.

The lack of adequate state funding support for K-12 public education has placed an inordinate burden on localities. A strong public school system is essential to economic development and prosperity. The state must be a reliable funding partner in accordance with the Virginia Constitution and governing state statutes. The Standards of Quality only recognize the minimum level of resources needed to support a minimum number of positions and does not recognize the associated costs for meeting the Standards of Learning and Standards of Accreditation.

Norfolk therefore opposes any further changes in the funding methodology which continues to shift the division of financial responsibility from the state to localities. Norfolk further opposes policies that lower state contributions but do nothing to address the actual cost of meeting the requirements of the Standards of Accreditation and the Standards of Learning.

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Legislative Priority # 5: The City of Norfolk supports legislative efforts to allow qualifying localities the authority to operate licensed casino gaming operations by local-option.

Casinos are increasingly being used by states to generate tax revenues at the state and local levels. Further, evidence suggests that casino gaming, regulated responsibly, can greatly contribute to the development of a local and significantly spur a local regional economy.

Given the recent proliferation of legalized casino gaming across the United States and in immediate proximity and the fact that the Commonwealth already allows paramutual betting, bingo, state lottery, and scratch off tickets, the City of Norfolk feels it may be time to further consider permitting casino gaming authority under certain circumstances for the purpose of funding roads, schools, parks, etc.

City of Norfolk's 2013 Virginia General Assembly Recommended State Budgeting Principals

As it relates to state budgeting and considering the significant economic downturn, the Norfolk City Council respectfully requests that the Governor and General Assembly not:

1. Further restrict local revenue authority or sources without providing alternative revenue authority and sustainable revenue sources.
2. Confiscate or re-direct local general funds and special funds to the state treasury.
3. Impose new funding requirements or expand existing ones on services delivered by local governments.
4. Shift state funding responsibilities onto local governments, including law enforcement and public safety activities.
5. Impose state fees, taxes or surcharges on local government services.
6. Place additional administrative burdens on local governments.

The City Council further respectfully requests the Governor and the General Assembly begin efforts to accomplish the following necessary state budgeting tasks:

1. Immediately examine all state requirements and service expansions to determine those that can be suspended or modified to alleviate some of the financial burden on state and local taxpayers.
2. Develop and regularly communicate state spending and revenue priorities.
3. After all other actions have been taken to eliminate those state programs determined to be unnecessary, the state should consider strategies for the state's full funding to adequately meet its constitutional and statutory obligations.

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City of Norfolk's
2013 Virginia General Assembly
Legislative Statements of Support

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- 1. The City supports restoration of the \$50 million across the board “Local Aid to the Commonwealth” reduction in the FY 13 budget and supports eliminating the state’s annual reduction permanently.**

In the budget enacted by the General Assembly this session and signed into law by Gov. McDonnell, \$50.0 million in FY13 and \$45.0 million in FY14 will be taken from local revenues or from state appropriations for state-mandated or state-priority programs delivered by Virginia’s cities and counties.

According to the state Appropriation Act, the state’s objective is “to capture savings in state aid to local government programs in a manner that provides localities flexibility in how such savings are implemented. This reversion is necessary as a result of the continued slowing of the Virginia economy.” However, when the program began in FY 2009, the justification was based on “the downward adjustment in general fund revenues caused by the slowing of the Virginia economy.” Since FY09, the state has boasted three straight years of end-of-the-year surpluses.

- 2. The City supports legislation to make clear that transit occupancy taxes and sales taxes are applied to the room cost paid by the consumer. Additionally, the City urges Virginia’s Congressional Delegation to oppose any legislation or amendments to preempt state and local taxes from being collected on Internet transactions.**

Using the Internet to search for a hotel or motel room can save a consumer both time and money. However, collecting the state and local taxes owed for a hotel room booked by this high-tech convenience can become complicated. For example, Mr. Jones books a hotel room for \$100 on a Web site like Expedia, and pays the state and local taxes on that \$100 room. But, the Web site pays the state and local taxes based on a discounted price negotiated with the hotel – say \$80. The online company pockets the difference between the taxes paid by Mr. Jones and the taxes the service company pays by claiming the increment is part of the service fee.

Estimates on the loss of local revenues range from \$5.4 million to \$13.9 million, depending on the number of Internet transactions made in each locality and the markup used by the on-line travel companies. Norfolk’s preliminary estimates are that this slippage of lawful tax collection currently costs the City approximately \$100,000 a year and is expected to grow with the continuing proliferation of internet hotel discount brokers.

- 3. The City supports legislation that provides dedicated and adequate state appropriations to the Water Quality Improvement Fund.**

Laws, regulations, and initiatives to improve water quality, while well-intentioned, impact local governments by increasing costs to upgrade both sanitary and storm sewer systems. Given current state and federal revenue forecasts it appears that local governments will receive little or no assistance in funding these capital improvements and increased operating costs. Virginia’s local governments face mounting costs for water quality improvements for sewage treatment plants, urban stormwater, combined sewer overflows (CSOs), and sanitary sewer overflows (SSOs).

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For more than two decades Virginia's local governments have been upgrading sewage treatment plants to reduce nutrient pollution as part of a multi-state and federal effort to clean up the Chesapeake Bay by 2010 under a voluntary compact. Concurrent with these efforts both federal and state regulations require local governments to treat stormwater runoff through their conveyance systems via MS4 permits (Municipal Separate Storm Sewer). Additionally, many older jurisdictions are dealing with costly federal and state mandates for treating combined sewer overflows (CSO) and sanitary sewer overflows (SSO).

The EPA in partnership the bay states are in the early stages of preparing the mandatory cleanup plan to remove the Chesapeake and its tributaries from the impaired waters list. As this process moves forward it is expected that stringent pollution controls with specified deadlines for compliance will drive up local government costs for treating water pollution. It remains to be seen whether the federal government will provide financial assistance to localities to meet these pollution reduction targets.

At the state level, the General Assembly established the Water Quality Improvement Fund (WQIF) more than 10 years ago to assist local governments in upgrading sewage treatment plants. Many local governments have signed grant agreements with the state relying on the WQIF to cover some of these costs. During the 2012 legislative session - through the combination of a year-end surplus allocation in the introduced budget and a separate legislative amendment – the legislature approved \$87.6 million to be deposited (WQIF) for wastewater treatment plant upgrades.

This reduces the current unfunded commitment that Virginia has made to reimburse local governments for required sewage treatment plant upgrades from \$16.8 million. However, local governments will need more cost-share funds for the installation of additional pollutant removal technologies to comply with the EPA-mandated Chesapeake Bay cleanup. To the extent these costs are the result of federal and state legislation, regulation and policies, the City urges the Commonwealth to provide adequate funding for these expensive mandates.

4. The City supports legislation that fully funds the Virginia Enterprise Zone Program.

The Virginia Enterprise Zone program encourages new business activity by providing state and local tax relief and grants. This program creates an improved climate for private sector investment, development, and expansion in targeted areas. The Virginia Enterprise Zone Act allows for the proration of grant amounts in the event that the General Assembly does not appropriate enough funding for the program.

Prorating Enterprise Zone grants means companies, including ones in Norfolk, do not receive 100% of the economic development incentives that they qualify for to locate or expand within the established Enterprise Zone. The City therefore supports legislation that provides full funding for this vital and heavily subscribed economic development program.

5. The City supports legislation that bans or strictly prohibits and deters “predatory” car-title lending practices.

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The Norfolk City Council continues to share the ongoing concern that predatory lending practices such as those used by car title lenders pose a threat to the well-being of the City and the Commonwealth. Many of the car title lenders charge excessive fees, fail to verify a borrower's ability to repay, and target the elderly, low income, and minority citizens. Borrowers that find themselves in hard economic times often become caught up in a vicious cycle of recurring short-term compounding high interest debt upon debt.

In Virginia, maximum rates are set by statute (Va. Code § 6.2-2216), but the statutory scheme institutes a confusing stepped system of rates that not only allows interest to be calculated monthly, which obfuscates the actual annual rate paid, but also levies different rates on different portions of the same loan. The Norfolk City Council therefore supports legislation that bans or strictly deters "predatory" car title lending practices.

6. The City supports legislation that authorizes alternatives for advertising of required public notices.

Throughout the Code of Virginia there are numerous sections that require advertising of public notices in a "newspaper published or having general circulation in the locality." Seemingly, the intent of this requirement is to provide information to the public in such a way as to inform the greatest number of available options. However newspaper circulation continues to decline as more citizens look to the internet for their news and information.

Notwithstanding any requirements for a locality to publish legal advertisements in a newspaper of general circulation, the City of Norfolk supports legislation that would allow local governments to instead publish legal advertisements on their local government website, local public access channel, and other media outlets.

7. The City supports legislation authorizing local governments to prohibit or restrict the carrying of weapons in public administration buildings.

8. The City supports the Norfolk Public Schools 2013 Legislative Priorities (Appendix 1).

9. The City supports legislation to broaden local government impact fee authority to allow for the adequate assessment of fees for all public infrastructure.

Impact fees provide a more equitable and rational method for developers of new housing and commercial properties to participate in paying for the costs associated with the developments, in contrast to the existing conditional zoning process provisions regarding cash proffers.

For years, many Virginia localities have had the authority to request a developer to pay cash proffers to help pay for the infrastructure costs associated with the development of property. The main type of development that has been paying cash proffers are residential developments, although commercial and other developments may participate as well. The infrastructure that must be built or expanded to meet the needs created by new development includes schools, roads, public safety buildings and equipment, libraries and recreational facilities.

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The most significant problems with cash proffers is that they are applied only where the developer requests a rezoning to allow the development. If one developer gets land rezoned, each house would be subject to the proffer. Next door, a developer who builds on by-right property, so there's no rezoning, pays no proffers, although the homes he builds cause the same burdens or impact on the infrastructure. Impact fees avoid this failure of cash proffers. Impact fees are also more predictable at the beginning of the process, since they are less subject to horse-trading that happens in a rezoning.

Impact fees also allow a county, city or town to carry out comprehensive rezonings to promote growth where it is appropriate and to limit growth where it is inappropriate. If a locality carries out comprehensive rezonings in the cash proffer environment, it loses the payments for the needed infrastructure.

Therefore, the City of Norfolk believes the General Assembly should enact laws to broaden impact fee authority to allow the adequate assessment of the fees for all public infrastructure, including school construction costs, caused by growth. The General Assembly should take all steps needed to assist towns and cities to work with the surrounding counties to promote growth in patterns that help the vitality of the municipalities. Any change must not shift the burden of paying for new infrastructure to existing citizens through increased real estate taxes.

10. The City supports legislation that requires any new health care reform impacts to local governments to be accompanied by commiserate state financial resources for implementing the new unfunded mandates.

Congress has passed, and the U.S. Supreme Court has ruled upon, the federal Affordable Care Act. States are now proceeding with strategies as to how to implement this federal law. It includes provisions that allow states to expand the number of individuals covered by Medicaid (the U.S. Supreme Court said that states were allowed, but not required to do this); and a requirement that health insurance exchanges (i.e., insurance markets) be set up in states to give individuals could shop for insurance and get subsidies to help with the costs if needed). The law intended for states to operate the exchanges, but they are not required to do so. If they do not, the federal government will set up and operate these exchanges in individual states.

There are some open questions for local governments in the administration of this new law. For example, if Virginia decides to expand its Medicaid coverage to give more uninsured adults access to this program, local government would be affected because local departments of social services administer the eligibility process for Medicaid. While the federal government would give an enhanced match for these new recipients, it is unclear how the funding for administration would work for local departments of social services. Since Virginia has not made any decision on how its exchange would work (whether the state would run it or leave it to the federal government), local governments are unsure about the potential administrative impact on them.

Given the unknowns about Virginia's path in implementing this federal law, the Commonwealth should provide proper financial resources for any new local health care responsibilities. Any new and/or enhanced roles and responsibilities for local governments must be accompanied by sufficient state financial resources.

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- 11. The City supports legislation to provide adequate and sufficient funding for supporting and equipping local social service offices that render services on the state's behalf.**
- 12. The City supports the creation of regional transportation authorities, by right, to promote coordination of transportation projects, funding, and maintenance of related facilities.**
- 13. The City supports legislative efforts to secure additional bicycle and pedestrian funding and policy changes that result in flexibility for the construction of bicycle and pedestrian facilities within the existing right of way.**

Norfolk encourages the General Assembly to support policies and investments that increase safety for non-motorized transportation alternatives. In this regard, an appropriate mix of transportation choices should recognize the urban, suburban, and rural differences across the Commonwealth. Pedestrian and bicycle friendly environments facilitate active walking, jogging, and bicycling. Access to these kinds of public amenities supports healthy living options and provides transportation alternatives.

- 14. The City supports legislative efforts to provide a local-option on whether or not to restrict the use of plastic bags in their jurisdictions.**

Plastic bags that are not buried in landfills are typically littered, windblown or recycled. Generally, plastic bags are not biodegradable. Instead, they break down into smaller toxic bits that contaminate soil and waterways, and enter into the food web when animals accidentally ingest those materials.

Stranded marine mammals including whales, dolphins and sea turtles have been found with plastic debris in their digestive systems, and entangled in the bags. Farmers have voiced major concerns about littered plastic bags because they can get caught in cotton stalks and contaminate cotton crops. In urban areas such as Norfolk, they clog storm sewer outfalls, block sunlight from critical shoreline habitat and litter shorelines, parks and other public areas.

Using plastic bags provides retailers efficiency and convenience in delivering their products to consumers. However, improper disposal of plastic bags is becoming more widespread and they are becoming a significant source of pollution. Local governments nationwide have considered voluntary recycling efforts and other strategies to reduce plastic bag waste and litter. Some are turning to plastic bag bans, taxes and other incentives to reduce the use of these bags and subsequent littering.

In this regard, Virginia local governments should be authorized to decide for themselves which solutions and programs they wish to explore for meaningfully addressing plastic bag litter.

- 15. The City supports legislative efforts to improve the availability and coordination of existing local and state efforts to address the epidemic of childhood obesity.**

--Council Approved Draft--

16. The City supports legislative efforts for renewed state support for the Virginia Senior Games.

Health and wellness is important to the quality of life for an increasing number of Virginia seniors. For the past thirty-four years, the Virginia Senior Games has promoted health and wellness through active competition among senior adults. By any measures, the Virginia Senior Games has become a significant success with more than thirty competition events offered each year. The Commonwealth should make specific effort to protect and support this vitally important senior program.

--Council Approved Draft--

City of Norfolk's
2013 Virginia General Assembly
Legislative Statements of Opposition

--Council Approved Draft--

- 1. The City opposes legislation to curtail or eliminate BPOL and/or Machinery and Tools taxes.**

Given the limited revenue generating options available to local governments in the Commonwealth of Virginia, the City of Norfolk continues to oppose any efforts to further limit local government taxing authority, including Business, Professional and Occupational License (BPOL) tax and Machinery and Tools (M&T) tax. Currently the City collects approximately \$26 million in BPOL taxes annually and approximately \$4 million in M&T taxes annually.

- 2. The City opposes the imposition of ABC Privatization initiatives that supersede local zoning authority and the locality's abilities to impose and collect authorized taxes/fees.**

If privatization of the sale of liquor is to occur, local governments must maintain full authority to apply current zoning laws to businesses selling liquor and must retain full authority to participate in the ABC licensing process. Further, if ABC privatization occurs, the licensing process must fully accommodate the ability of small, minority and women-owned businesses to procure licenses, and not be priced out by large corporate interests.

The City further opposes any legislative efforts that supersede local authority to impose and collect taxes related to the sale of alcohol. Moreover, currently allocated state revenues from liquor sales that support behavioral health and other state services must be maintained on an annual basis at no less than the current level. Lastly, if the state receives any profits from privatization, a portion of such money should be distributed to Virginia localities similar to the revenue commitment codified in Va. Code § 4.1-117.

- 3. Considering the significant state cuts to local governments already absorbed, the City opposes any new mandates with fiscal impacts on local governments.**
- 4. The City opposes legislation that directs a portion of the Local Government Investment Pool's assets to unrated financial institutions.**

The City opposes efforts by the General Assembly to direct a portion of the Pool's assets to unrated financial institutions. Such actions will jeopardize the Pool's rating; thereby diminishing the Pool's earnings; and subjecting localities to penalties and costly delays in accessing funding.

This intrusion by the General Assembly into the management of local tax dollars violates the "prudent person rule" which requires portfolio managers to manage funds for the benefit of participants.

--Council Approved Draft--

- 5. The City opposes the Virginia Department of Social Services efforts to charge local governments for any penalties resulting from federal audits of the Title IV-E (foster care) system.**

The Virginia Department of Social Services is proceeding with a policy to charge local governments for any penalties resulting from federal audits of the Title IV-E (foster care) system. For years the state has consistently underfunded its share of administrative costs (including personnel and technology) for programs administered on its behalf by local departments of social services. The state agency has now decided to make local agencies and local real estate taxpayers solely liable for federal financial penalties resulting from federal audits of the system.

Federal law does not require passing this cost to be placed onto localities; it is the state's choice to do so. If the state wants to improve performance and accountability in social service provision, it must fully acknowledge and fulfill its responsibility in this partnership by properly funding, equipping, and supporting the local offices that render services on its behalf.

If the state wants to improve performance and accountability, it must fully acknowledge and fulfill its responsibility in this partnership by properly funding, equipping, and supporting the local offices that render services on its behalf.

Appendix 1:

Norfolk Public Schools
2013 Virginia General Assembly
Legislative Priorities Package

--Council Approved Draft--

-Place Holder-

Norfolk Public Schools
2012 Legislative Priorities
Virginia General Assembly

Introduction

Investing in public education has broad economic and social benefits.

“The economic downturn of the past few years has taken a serious toll on education. Virginia’s level of investment in K-12 education has fallen significantly below where it was before the recession . . . These reductions have diminished the quality of education throughout the Commonwealth . . . Just a few years ago, Virginia had a great atmosphere for learning — the third smallest class size in the nation. Today, it’s 41st. ”

— excerpted from “Getting Virginia Back to Work, A Blueprint for Prosperity, September 2011,” The Commonwealth Institute

The School Board of the City of Norfolk appreciates the tremendous challenges legislators face during these economic times. However, as the 2012-14 biennial budget process moves forward, we respectfully ask you to make public education your top priority. The children of this Commonwealth — Virginia’s future workers and entrepreneurs — deserve no less. Today’s changing global economy demands a greater investment in our public schools.

2012 Legislative Priorities

Support:

- Funding the actual costs of the Standards of Quality (SOQ) based on prevailing practices, including incentive, categorical, technology and school facilities programs. The biennial re-benchmarking process simply maintains the status quo. It is critical that funding for public education be increased to address the wide gap between Virginia’s SOQ, the funding for these Standards, and the actual costs of providing a high-quality education.
- Endorsing the policies contained in the Virginia Department of Education’s preliminary 2012-14 SOQ re-benchmarking.
- Providing competitive salaries and benefits to attract high-quality education employees, including support for recruitment/retention efforts.
- Increasing funding for initiatives such as pre-K, SOL remediation, dropout prevention, career-technical and alternative education programs.

--Council Approved Draft--

- Phasing-in the 2003 SOQ policy adjustments proposed by the Virginia Board of Education, with one reading specialist for every 1,000 students as the top priority. This measure would support the recent JLARC recommendations to promote third-grade reading performance.
- Giving districts local control to implement policies to improve effectiveness and efficiency, especially as it relates to setting the school calendar.

Oppose:

- Adding additional mandated programs which require local school division actions or services without providing for the state's share of funding.
- Reducing the authority of local school boards to set their own budget priorities, such as requiring school divisions to spend specific percentages of their budget on certain activities, especially in cases where "instructional spending" is narrowly defined.
- Weakening the state's commitment to fund public education by shifting SOQ and other recurring cost programs into the state's lottery-funded accounts. Such shifts reduce General Fund support for education as well as run counter to the original intent of lottery funds.
- Manipulating the Virginia Retirement System (VRS) rates to balance the state budget as well as any other measures that result in the underfunding of VRS.
- Allowing home-schooled students to participate in Virginia High School League (VHSL) activities.
- Instituting vouchers or tuition tax credits which would divert funding away from public education.

Appendix 2:

Contact Information for
Norfolk's Local, State, and Federal Elected Officials

--Council Approved Draft--

Norfolk City Council Contact Information

<p>Paul D. Fraim, At Large 1001 City Hall Building 810 Union Street Norfolk, VA 23510</p> <p>757-664-4679 mayor@norfolk.gov</p>	<p>Anthony L. Burfoot, Vice Mayor / Ward 3 1006 City Hall Building 810 Union Street Norfolk, VA 23510</p> <p>757-664-4709 anthony.burfoot@norfolk.gov</p>
<p>Andrew A. Protopgyrou, Ward 1 1006 City Hall Building 810 Union Street Norfolk, VA 23510</p> <p>757-625-1775 andrew.protopgyrou@norfolk.gov</p>	<p>Paul R. Riddick, Ward 4 1006 City Hall Building 810 Union Street Norfolk, VA 23510</p> <p>757-855-9010 paul.riddick@norfolk.gov</p>
<p>Thomas R. Smigiel, Ward 5 1006 City Hall Building 810 Union Street Norfolk, VA 23510</p> <p>757-531-7595 thomas.smigiel@norfolk.gov</p>	<p>Theresa W. Whibley, MD, Ward 2 1006 City Hall Building 810 Union Street Norfolk, VA 23510</p> <p>757-623-3845 terry.whibley@norfolk.gov</p>
<p>Angelia A. Williams, Super Ward 7 1006 City Hall Building 810 Union Street Norfolk, VA 23510</p> <p>757-419-8183 angelia.williams@norfolk.gov</p>	<p>Barclay C. Winn, Super Ward 6 1006 City Hall Building 810 Union Street Norfolk, VA 23510</p> <p>757-494-1400 barclay.winn@norfolk.gov</p>

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Norfolk General Assembly Contact Information

<p>Senator Kenneth C. Alexander (D-5th) 120 West Berkley Avenue Norfolk, VA 23523</p> <p>757-223-1333 (District Office) 804-698-7505 (Richmond Office) district05@senate.virginia.gov</p>	<p>Senator Ralph Northam (D-6th) P.O. Box 9636 Norfolk, VA 23505</p> <p>757-818-5172 (District Office) 804-698-7506 (Richmond Office) district06@senate.virginia.gov</p>
<p>Senator Frank Wagner (R-7th) P.O. Box 68008 Virginia Beach, VA 23471</p> <p>757-671-2250 (District Office) 804-698-7507 (Richmond Office) district07@senate.virginia.gov</p>	<p>Delegate Johnny Joannou (D-79th) 709 Court Street Portsmouth, VA 23704</p> <p>757-399-1700 (District Office) 757-397-6624 (District Fax) 804-698-1079 (Richmond Office) 804-698-6779 (Richmond Fax) *No email provided</p>
<p>Delegate Matthew James (D-80th) P.O. Box 7487 Portsmouth, VA 23707</p> <p>804-698-1080 (District Office) 804-698-1080 (Richmond Office) DelMJJames@house.virginia.gov</p>	<p>Delegate Chris Stolle (R-83rd) P.O. Box 5429 Virginia Beach, VA 23471</p> <p>757-633-2080 (District Office) 804-698-1083 (Richmond Office) DelCStolle@house.virginia.gov</p>
<p>Delegate Lynwood W. Lewis (D-100th) P.O. Box 760 Accomac, VA 23301</p> <p>757-787-1094 (District Office) 808-698-6700 (Richmond Office) DelLewis@house.virginia.gov</p>	<p>Delegate Algie T. Howell (D-90th) P.O. Box 12865 Norfolk, VA 23541</p> <p>757-466-7525 (District Office) 804-698-1090 (Richmond Office) DelAHowell@house.virginia.gov</p>
<p>Link to Virginia House of Delegates Contact Information: http://dela.house.virginia.gov/dela/MemBios.nsf/MWebsiteCO?OpenView</p> <p>Link to Virginia Senate Contact Information: http://apps.lis.virginia.gov/sfb1/Senate/TelephoneList.aspx</p>	

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Norfolk Congressional Delegation Contact Information

<p>The Honorable Mark R. Warner (D-VA) United States Senate 459A Russell Senate Office Building Washington, DC 20510</p> <p>202-224-2023 (Office)</p>	<p>The Honorable Jim Webb (D-VA) United States Senate 248 Russell Senate Office Building Washington, DC 20510</p> <p>202-224-4024 (Office)</p>
<p>The Honorable Scott Rigell (R- VA 2nd) United States House of Representatives 327 Cannon House Office Building Washington, DC 20515</p> <p>202-225-4215 (Office)</p>	<p>The Honorable Robert C. Scott (D-VA 3rd) United States House of Representatives 1201 Longworth House Office Building Washington, DC 20515</p> <p>202-225-8351 (Office)</p>
<p>Link to US House of Representatives Website: http://www.house.gov/</p> <p>Link to US Senate Website: http://www.senate.gov/</p>	